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STATE OF MONTANA

TWENTY-SIXTH ANNUAL
REPORT

of the

INDUSTRIAL ACCIDENT BOARD

For The Twelve Months Ending

June 30, 1941

-SAFETY FIRST SEAL-

WORKMEN'S COMPENSATION ACT

In Effect July 1, 1915
as to Compensation
Provisions

MEMBERS OF THE BOARD

J. BURKE CLEMENTS, Chairman JOHN J. HOLMES, State Auditor

ALBERT H. KRUSE, Commissioner
of Agriculture and Labor

ADMINISTERING:

WORKMEN'S COMPENSATION ACT
SAFETY INSPECTION LAWS
BOILER INSPECTION LAWS
STATIONARY ENGINEERS' LICENSE LAWS
QUARTZ MINE INSPECTION LAWS
COAL MINE INSPECTION LAWS

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L E T T E R O F T R A N S M I T T A L

October 1st, 1941

To His Excellency Sam C. Ford
Governor of the State of Montana
Helena, Montana

Dear Governor Ford:

Pursuant to the mandate of the compensation act of the State of Montana, we have the honor to submit herewith our 26th Annual Report covering the administration of the Workmen's Compensation Act by the Industrial Accident Board for the fiscal year ending on June 30th, 1941.

This report will indicate that the combined assets of the Industrial Accident Fund itself is less than it was for the fiscal year ending June 30th, 1940, but the Board during the fiscal year 1940-1941 discharged a great number of obligations by way of disposing of cases which would have required payments for a long period in the future. We have thus reduced our future obligations by a large amount.

Since the close of the fiscal year on June 30th, 1941, the Board prepared a financial statement for the reorganization committee which showed total actual and estimated liabilities of the Industrial Accident Fund of \$899,175.35. On October 1st, 1941 the Industrial Accident Fund had cash and assets of approximately \$1,000,000.00, making our surplus approximately \$100,000.00. We feel that the Industrial Accident Fund at the time of the writing of this report is in a healthy condition, notwithstanding that the assets were lower on the date of the closing of the books for the fiscal year ending June 30th, 1941 than they were on the same date in 1940.

Employment in the State of Montana is at its peak and has been for the past year. The Board held 95 hearings in controversial cases during the year and had medical examinations at the Helena office of the Board totaling 201. This is mentioned as a matter of conveying to your Excellency the volume of work done by the Board in controversial compensation matters.

The Board calls your particular attention to the fact that the accidents during the year increased over the previous year by 422 under the State Plan of insurance and that we paid out nearly \$1,400,000.00 as against \$1,229,000.00 the year previous. The number of accidents under the

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self insurance plan was 129 greater than it was the year previous and the compensation payments increased correspondingly.

Respectfully submitted,

INDUSTRIAL ACCIDENT BOARD

J. Burke Clements
Chairman

Albert H. Kruse
Commissioner

John J. Holmes
Commissioner

JBC/O

INDUSTRIAL ACCIDENT BOARD

FINANCIAL STATEMENT

June 30, 1941

ASSETS;

Cash Funds

Industrial Accident Fund	11,763.50
Industrial Reserve Fund	102,212.54
	<u>113,976.04</u>
Less Warrants Outstanding	<u>33,831.54</u>

Total Cash in Banks	80,144.50
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Accident Fund Investments	40,193.18
Reserve Fund Investments	723,901.78
Registered Warrants	<u>4,009.88</u>

Total Investments	<u>768,104.84</u>
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Total Cash and Invested Funds	<u><u>848,249.34</u></u>
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LIABILITIES:

Premium Income	12,702,938.86
Recoveries from Judgments	41,205.17
	<u>12,744,144.03</u>
Less Compensation Paid	<u>12,547,581.10</u>

Net premium Income	196,562.93
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Initial Deposits	139,633.05
Special Deposits	7,135.84
Interest Earned	<u>504,917.52</u>

Total Income	<u><u>848,249.34</u></u>
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In addition to the above, there is on deposit with the Treasurer of the Industrial Accident Board, United States Bonds in the amount of \$635,000.00 deposited by insurance companies to guarantee the fulfillment of their obligations under the Workmen's Compensation Act.

STATISTICAL STATEMENT FOR YEAR ENDING JUNE 30, 1941

	<u>PLAN I</u>	<u>PLAN II</u>	<u>PLAN III</u>	<u>ALL PLANS</u>
Number Employers Under Act June 30, 1941	46	1,032	3,783	4,861
Number Fatal Accidents Year Ending June 30, 1941	35	7	51	73
Number Permanent Total Accidents Year Ending June 30, 1941			9	9
Number Permanent Partial Accidents Year Ending June 30, 1941	121	12	259	392
Number Temporary Total Accidents Year Ending June 30, 1941	<u>1,615</u>	<u>2,364</u>	<u>8,094</u>	<u>12,073</u>
<u>Total Number Accidents</u>	<u>1,771</u>	<u>2,383</u>	<u>8,393</u>	<u>12,547</u>
Number Accidents No Compensation Paid	<u>449</u>	<u>1,961</u>	<u>6,570</u>	<u>8,980</u>
Disbursed for Funeral Expense	4,530.00	300.00	3,350.00	8,650.00
Disbursed for Medical Expense	3,973.65	49,145.32	203,119.87	256,241.84
Disbursed for Hospital Expense	1,590.61	11,810.70	68,427.17	81,828.48
Disbursed for Fatal Accidents	100,052.50	20,524.31	164,187.53	284,764.34
Disbursed for Permanent Total Disability	11,252.88	4,241.05	39,055.74	54,549.67
Disbursed for Permanent Partial Disability	143,729.29	9,337.66	564,942.79	723,009.74
Disbursed for Temporary Total Disability	455,614.18	86,596.81	325,557.36	867,768.35
Disbursed for Temporary Partial Disability			1,621.00	1,621.00
Disbursed for Hearings, Proceedings, and Medical Examinations			<u>19,377.63</u>	<u>19,377.63</u>
<u>Total Compensation Paid</u>	<u>725,718.11</u>	<u>181,953.85</u>	<u>1,390,139.09</u>	<u>2,297,811.05</u>

STATISTICAL STATEMENT FOR TWENTY-SIXTH YEAR PERIOD ENDING JUNE 30, 1941

	<u>PLAN I</u>	<u>PLAN II</u>	<u>PLAN III</u>	<u>ALL PLANS</u>
Number Fatal Accidents	1,395	247	708	2,350
Number Permanent Total Accidents	69	23	78	170
Number Permanent Partial Accidents	1,724	572	2,153	4,449
Number Temporary Total Accidents	62,524	45,823	84,717	193,064
<u>Total Number Accidents Reported</u>	<u>65,712</u>	<u>46,665</u>	<u>87,656</u>	<u>200,033</u>
Number Accidents No Compensation Paid	38,870	36,692	60,721	136,283
Disbursed for Funeral Expense	135,470.42	19,353.71	85,900.00	240,724.13
Disbursed for Medical Expense	103,435.78	826,613.80	1,969,860.81	2,899,910.39
Disbursed for Hospital Expense	38,646.54	178,082.48	697,223.06	913,952.08
Disbursed for Fatal Accidents	3,384,665.03	589,364.89	2,048,537.04	6,022,566.96
Disbursed for Permanent Total Disability	244,057.74	82,900.26	414,199.24	741,157.24
Disbursed for Permanent Partial Disability	1,468,452.52	298,330.05	3,581,213.62	5,347,996.19
Disbursed for Temporary Partial Disability	5,848,102.81	1,467,780.63	3,605,709.72	10,921,593.16
Disbursed for Hearings, Proceedings, and Medical Examinations			33,369.69	33,369.69
<u>Total Compensation Paid</u>	<u>11,222,830.84</u>	<u>3,462,425.82</u>	<u>12,546,176.86</u>	<u>27,231,433.52</u>

PREMIUM INCOME FOR EACH FISCAL YEAR

1930 - 1941

June 30, 1930	465,102.56
June 30, 1931	370,750.72
June 30, 1932	328,498.80
June 30, 1933	336,662.81
June 30, 1934	512,292.02
June 30, 1935	920,485.30
June 30, 1936	1,005,779.17
June 30, 1937	1,206,931.11
June 30, 1938	1,258,643.67
June 30, 1939	1,032,587.32
June 30, 1940	1,241,569.01
June 30, 1941	1,265,072.17

COAL MINE INSPECTOR'S REPORT

I submit herewith my report as State Coal Mine Inspector for the fiscal year ending June 30, 1941.

GENERAL CONDITIONS IN THE INDUSTRY

There is a slight increase in the number of tons produced and the total value of the same at the mines. This increase is in line with the general trend in business throughout the nation due to the re-armament program.

Scores of the smaller mines, as usual, failed to send in the data asked for and their tonnage, number of men employed, etc., has been estimated.

GENERAL DATA

Number of mines reporting	51
Tons of coal produced	2,276,052
Value at the mines	\$5,399,728.00
Kegs of Black Powder used (25 lbs. per keg)	32,562
Cases of dynamite used (50 lbs. per case)	6,225
Cases of Pellet Powder used (50 lbs. per case)	6,630
Number of men employed	1,535
Average number of days worked	180
Number of fatal accidents during the year	5
Number of men killed per thousand men employed	1.92
Number of tons of coal produced per fatal accident	958,634

STATISTICAL DATA

Years	Men Employed (average)	Production (tons)	Value
1901-1910 Inclusive	2,777	18,897,541	Not given
1911-1920 Inclusive	3,950	34,821,324	\$64,372,502.00
1921	4,300	3,392,031	9,365,230.00
1922	4,431	2,312,654	9,559,192.00
1923	4,097	3,140,837	9,903,625.00
1924	3,035	2,998,779	8,172,150.00
1925	2,496	2,252,899	3,652,009.00
1926	2,431	2,738,759	6,691,543.00
1927	2,250	2,865,203	6,735,545.00
1928	2,159	3,111,339	7,251,854.00
1929	2,060	3,319,630	7,453,699.00
1930	1,932	3,258,540	6,742,090.00
1931	1,757	2,706,468	5,390,787.00
1932	1,563	2,279,667	4,315,747.00
1933	1,897	2,017,275	3,569,141.00
1934	1,678	2,299,795	3,434,242.00
1935	1,664	2,618,491	4,098,134.00
1936	1,591	2,955,571	4,445,137.00
1937	1,412	2,825,000	3,318,720.00
1938	1,443	2,740,113	4,186,349.00
1939	1,450	2,790,092	4,250,340.00
1940	1,605	2,776,315	3,731,416.00
1941	1,565	2,876,052	5,899,728.00

Most of the tonnage is produced in the larger mines which are completely mechanized. The tonnage so mined is estimated at ninety-five percent of the total produced.

There has been no stoppage of work at any of our mines due to labor trouble. The larger mines are organized and this assures peace in the industry.

A new agreement has just been negotiated between the operators and the miners which will govern their relationships for another two-year period.

Respectfully submitted,

Edward Davies
State Coal Mine Inspector

QUARTZ MINE INSPECTOR'S REPORT

The fiscal year ending this date brings the following report in compliance with the mining laws. As Quartz Mine Inspector the writer respectfully submits the following report for the period.

All the principal mines of the district assigned as territory to be covered have been visited and inspected with respect to safety conditions. A survey of the findings is that the properties are being operated with consistent attention to safety precautions. To bring about this condition, two factors are necessary, first: the cooperative attitude of management and employee in attempting to prevent accidents. Happily this exists to a greater degree today than heretofore, and undoubtedly will continue to increase as the benefits are recognized.

Montana's mines are producing at full capacity, and a number of properties that have long been idle are to be operated.

Minerals found in Montana that have waited years for a market are being, or are to be, produced shortly, due to the closing of foreign sources of these "strategic" minerals. These are tin ore and sapphires, (by products of placer mining), chrome from the great deposits of Stillwater County, and antimony ore from northwestern Montana.

Aside from the metals being produced at capacity for war time needs there are the non-metallic plants; cement and gypsum concerns are booked far into the future with rush orders.

The largest dredge in the state was completed during the year to operate on the bars of Emigrant Gulch in Park County, with an expectancy of ten years' future work. This is entitled to mention as one of the big new mining ventures. Another of importance is the development on a large scale of the "Ben Bow" chromite deposit in Stillwater County.

Prospecting by the government for other sources of strategic minerals has been conducted at various places in the state with results which will probably lead to the development of additional needed supplies of war metals.

The silicosis law enacted by the past session of the legislature gives relief to the victims of this occupational disease. The establishment of the Department of Industrial Hygiene is in keeping with advanced ideas for the betterment and control of occupational hazards.

Continuance of first-aid instruction through the United States Bureau of Mines at mining camps of the state is very much appreciated by the mining employers and employees alike.

All complaints received were promptly investigated during the year.

Suggestions and orders for betterment of safety conditions included: removal of buildings (fire hazards), storing powder in magazines, driving raises for ventilation, timbering shafts, drifts, and stopes, providing safety exits, making of primers at central stations, grizzlies, guard rails, manway landings, etc.

Carbide lights are being replaced by the electric storage lamps. The number of mines substituting electric lamps in place of carbide lamps is growing; at least fifty percent now use this new equipment which has many advantages.

Eight fatal accidents occurred in the mines (six), mills (one), and quarries (one) during the period covered by this report. The causes were as follows;

- 1 - Blasting
- 3 - Drilling into missed holes
- 2 - Falling ground
- 1 - Caught by rope on niggerhead in mill (surface)
- 1 - Caught in rock slide in quarry (surface)

Respectfully submitted,

Ben Henry
Quartz Mine Inspector

QUARTZ MINE INSPECTOR'S REPORT

The following is a report of the safety conditions in the metal mines of the district in this state which I am assigned to inspect, for the year ending June 30, 1941.

I inspected all the working mines and mills, and found that safety conditions in almost every place are given due consideration in places needing improvement from a safety first standpoint. I find operators and workers alike eager to adopt suggestions that may tend to eliminate accidents.

The campaign to cut down the dust hazard is being adopted almost without exception. For instance, in a recent inspection of a mine at a ten thousand foot altitude I found them using water to drill. This water had to be hauled over a steep mountain-side for one and one-half miles by horse and sled.

Production of metals for defense needs is being pushed to record capacity.

The ventilation problem in the large mines requires ever-increasing work and vigilance as from day to day the holing of X cuts and raises change the air flow and as a consequence, new measures must be adopted to correct the change, so as to eliminate bad conditions in this or that working place. This is accomplished mainly by the installation of doors and fans in the drift or X cut.

The record of fatal accidents for the year is high compared with the preceding year, while accidents in mining are to be expected, and at times happen in the most unlooked for places. The main source of mine accidents is falling ground and in most cases such accidents can be prevented by the cooperation of the boss and the miners.

I hereby submit a list of fatal accidents for the year ending June 30, 1941:

MINES

Fall of ground	14
Hit by motor	2
Caught in ore chute	1
Caught in ore slide	2
Caught in blasting fumes	1
Surface	1

SMELLTER

Hit by railroad car	<u>1</u>
TOTAL	22

Respectfully submitted,

Dennis Murphy
State Quartz Mine Inspector

SAFETY INSPECTION DEPARTMENT

The work of making safety inspections of places of employment in hazardous occupations, including metal mines, coal mines and boilers, has been carried on during the fiscal year by the following persons:

Boiler Inspectors: L. A. Diamond
 Pat Whalen
 R. A. Prater

Safety Inspector: Jess Rawls

Quartz Mine Inspectors: Ben Henry
 Dennis Murphy

Coal Mine Inspector: Edward Davies

The following table shows the result of the inspectors' work and the fees collected for inspections:

WORK OF SAFETY BUREAU FOR YEAR 1940-1941
(Fiscal Year July 1, 1940 to June 30, 1941)

<u>Inspectors</u>	<u>Months Worked</u>	<u>Licenses Issued</u>	<u>Boilers Inspected</u>	<u>Safety Inspections</u>	<u>Cash Collected</u>
L. A. Diamond	12	208	1,062	217	8,171.16
R. A. Prater	12	178	588	278	5,202.21
Pat Whalen	12	440	942	484	9,873.31
Edward Davies	12	0	0	124	704.30
Ben Henry	12	0	0	85	453.51
Dennis Murphy	12	0	0	39	1,008.72
Jess Rawls	3	0	0	532	2,660.00
Office	12	<u>2,435</u>	<u>0</u>	<u>0</u>	<u>2,805.50</u>
TOTALS		<u>3,261</u>	<u>2,592</u>	<u>1,759</u>	<u>30,878.71</u>

